

Key Indicators

Looking ahead, Tennessee will experience growing pressure to increase the share of its adult population with a college degree. A growing economy will demand an increasing number of college-educated workers, and while the state's working-age adult population is expected to grow, the growth will be concentrated in the least educated segments of the population.

As state leaders consider their policy options, they should carefully examine indicators such as student distribution across public institutions, particularly in relation to cost per certificate/degree.

Percentage of Adults with an Associate's Degree or Higher, 2005 and 2025 (projected)

	2005	2025
Tennessee	30%	40%
U.S.	37%	46%
Top States (median)	46%	63%

SOURCE: U.S. Census Bureau (National Center for Higher Education Management Systems [NCHEMS] analysis)

To meet the benchmark for international competitiveness (at least 55 percent of adults with an associate's degree or higher) by 2025 with no change in completion rates or spending per degree, Tennessee would have to increase state higher education spending by **70 percent** (above inflation) by 2025, assuming no increase in tuition.

Meeting the competitiveness benchmark with no increase in state funding would require above-inflation tuition increases of **102 percent** at community colleges and **100 percent** for public four-year universities by 2025.

SOURCE: NCHEMS

Tennessee

Percentage of Adults with an Associate's Degree or Higher by Race/Ethnicity, 2005

White	32%
Black	22%
Hispanic	14%
Asian / Pacific Islander	56%

SOURCE: U.S. Census Bureau (NCHEMS analysis)

Projected Change in Population Age 18-64, 2005-2025

18-24	+85,944	+15.1%
25-44	+71,785	+4.3%
45-64	+177,034	+11.6%
Net Change	+334,763	+8.9%

SOURCE: U.S. Census Bureau

Projected Change in Public High School Graduates, 2005-06 to 2021-22

White	-122	-0.3%
Black	+195	+1.9%
Hispanic	+12,454	+1,306.8%
Asian / Pacific Islander	+1,045	+130.3%
American Indian / Alaska Native	+23	+33.8%

SOURCE: Western Interstate Commission for Higher Education

Tennessee Labor Market Projections, 2006-2016

According to the most recent projections, Tennessee's economy will add approximately 375,000 jobs between 2006 and 2016; 35 percent of these jobs will require an associate's/vocational degree or higher.

SOURCE: Tennessee Department of Labor and Workforce Development

Key Indicators (continued)

Distribution of Enrollment at Public Institutions

	Tennessee	U.S.
Community Colleges	36%	48%
Master's	16%	19%
Research	44%	28%

SOURCE: Delta Project on Postsecondary Costs, Productivity, and Accountability (Delta Cost Project)

Degrees/Certificates per 100 Students Enrolled, 2005

	Tenn.	U.S.	Top State
Assoc. Degrees/Certificates	15.1	14.0	32.7
Bachelor's Degrees	10.9	9.7	14.7

SOURCE: U.S. Department of Education (NCHEMS analysis)

Education/Related Spending per Certificate/Degree Awarded, 2006

	Tennessee	U.S.
Community Colleges	\$43,019	\$43,126
Public Master's	\$46,620	\$47,446
Public Research	\$65,611	\$56,271

SOURCE: Delta Cost Project

Tennessee and the American Recovery and Reinvestment Act

According to the U.S. Department of Education, higher education institutions in Tennessee are slated to receive \$100 million in federal stimulus funds in FY 2009 and \$183 million in FY 2010.

The MOA Learning Year in Tennessee

Lead Organization

Tennessee Higher Education Commission

Productivity Goal

Reach the national average in degree attainment (associate degree and above) by 2025.

Primary Activities / Highlights

1. Perform a comprehensive policy review and engage key constituencies statewide on the results (includes listening sessions, statewide summit, website).
2. Form strategy groups to identify opportunities for reform in the following areas: a) formula funding; b) performance funding; c) academic and student affairs policies; and d) adult student participation.
3. Conduct research to increase knowledge in areas such as: a) graduation rates (who graduates and who does not); b) affordability (who is not being served by aid programs); and c) cost per degree (where savings can be realized).
4. Create an articulation web portal that provides a central location and format for posting and updating program requirements and course equivalencies between sending and receiving institutions.